



*news release*

March 12, 2007

For Immediate Release

## **Employers Holdings, Inc. Announces Distribution of \$850 Million in Cash and Stock Consideration to Eligible Members**

March 12, 2007—Reno, NV—Employers Holdings, Inc. (NYSE: EIG) today announced that the Company has distributed \$462,988,115 in cash and 22,765,407 shares of common stock to the eligible members of its predecessor, EIG Mutual Holding Company, as consideration in its conversion which was completed in early February of this year. Using the initial public offering price of the common stock of \$17 per share, the total value of the consideration distributed to the Company's eligible Nevada policyholders was \$850 million. (On Friday, March 9, 2007, the closing price of the common stock on the New York Stock Exchange was \$20.12.)

Employers Holdings, Inc. recently completed a demutualization and initial public offering of its stock pursuant to a Plan of Conversion filed by the Company and approved by the Commissioner of Insurance of the State of Nevada and the members of EIG Mutual Holding Company. The Plan provided that eligible members would receive consideration in the form of cash or stock in exchange for the extinguishment of their membership interests in the mutual holding company. Eligible members can expect to receive their distributions within the next several days.

Douglas D. Dirks, President and CEO of Employers Holdings, Inc. said, "We're proud to announce this major milestone in our Company's history. Nevada policyholders have reaped the rewards of being members in this specialty writer of workers' compensation. By distributing over \$850 million in value to our members and into the economy of the State of Nevada, EMPLOYERS<sup>SM</sup> has demonstrated its history of success."

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